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- August 2008 record high interest rates, stock market experiencing difficulties, established real estate market with very strong signs of falling volumes of sales, shortages in key areas of stock, new buildings were in short supply, consumer confidence was slipping.
- October 2008 freefall in stock market, drying up of liquidity, receivers moving into some of the biggest businesses in SEQ, unemployment, consumer confidence plummeted, market commentators throughout the world preaching that the Western world as we knew it today would no longer exist in 6 to 12 months.
- Federal Government recognised the importance of housing to our economy – brought in the first home buyers grant. Reserve Bank started to lower interest rates very quickly. This had 2 effects. It gave a section of the market some confidence (first home buyers), falling interest rates that contributed to affordability and it kept those people who had taken the bold decision to purchase real estate in the previous 2 years took pressure off to ensure they could maintain their home.
- June 2009 12 months from start of the downfall. Properties under \$500k accounted for 90% of all sales in SEQ over the last 12 months. Prices in that under \$500k bracket stabilised. The middle range of the market experienced low volumes – sellers expectations had to be lower. The luxury end of the market, saw very little demand and certainly some extreme slashing of prices.
- Volumes of sales halved in 07-08.
- Some good things: the Y generation – prior to that time thought they were bulletproof (borrow maximum plus – expected to have everything in their first home and wouldn't accept less). Y Generation demands shrunk.
- Baby boomers realising that they didn't need the big home – downsizing of the baby boomers (created sales in 08/09 year).
- Past 3 months: Increase in volume of sales, in the order of 10-15% to previous quarter across the board. Activity return to the middle and luxury ends of the market (at greatly reduced prices.) First home buyers still active but not in the same volume as at the start of the grant.
- Brisbane – inner and middle suburbs – those locations that have middle and upper range prices of properties have rekindled and a definite volume of sales boost.
- Smart money entering into the real estate market (people not participating over the past few months) moving back into the market.
- Going forward (predict another hit before things can improve).